

**Memorandum to the File  
Case Closure**

**Alleged Improper Salary Increase, Misuse of Travel Card,  
and Improper Time and Attendance, BVA, Washington, DC  
(2012-00570-1Q-0082)**

The VA OIG Administrative Investigations Division investigated allegations that (b) (7)(C) Board of Veterans' Appeals (BVA), Washington, DC, received an improper salary increase after a Presidential-mandated 2010 Federal civilian employee pay freeze. In addition, (b) (7)(C) allegedly misused his Government-issued travel card, and (b) (7)(C) BVA, allegedly misused her official VA time. To assess these allegations, we interviewed (b) (7)(C) and other VA employees. We also reviewed email, personnel, travel card, and time and attendance records, as well as Federal laws, regulations, and VA policy. We investigated and substantiated other issues; however they will not be addressed in this memorandum.

*Background*

On December 22, 2010, President Obama signed legislation to prohibit statutory pay adjustments for most Federal civilian employees. He also issued a memorandum on the same day stating that agencies should forgo similar increases to pay schedules and rates that are set by administrative discretion. The Office of Personnel Management provided further guidance on the pay freeze which reflected that employees included the senior-level (SL) pay schedule were also included in the freeze. This guidance stated that, "During the freeze period, no senior executive or senior-level employee may receive any increase in his or her rate of basic pay, except for increases based on a change of position involving a substantial increase in responsibility, or a promotion."

*Alleged Improper Salary Increase*

Personnel records reflected that effective February 13, 2011, (b) (7)(C) received a \$15,446.00 increase to his salary. (b) (7)(C) s supervisor, (b) (7)(C) (b) (7)(C) told us that his initial pay was set incorrectly when he received his senior-level grade. She said that 9-12 months after (b) (7)(C) received his senior level position, he took on additional duties when he absorbed oversight responsibilities for (b) (7)(C) and (b) (7)(C). Personnel records also reflected that (b) (7)(C) s additional duties were documented in his FY 2011 performance appraisal, which began in October 2010 and stated, "Significantly, just prior to the commencement of the past fiscal year, (b) (7)(C) took over responsibility for two failing units at [BVA] - the (b) (7)(C) and the (b) (7)(C)." (b) (7)(C) told us that (b) (7)(C) s pay was corrected after the pay freeze, because she said, "...in fact [correcting his salary] had been discussed prior to the pay freeze taking effect. And I think, now maybe the 52 didn't get cut until later, but I believe there was authorization from the Secretary's office

and that the Chief of Staff authorized the increase just prior to the pay freeze." Personnel records reflected that on January 24, 2011, (b) (7)(C) approved (b) (7)(C)'s salary increase under "an exception to policy to achieve pay equity with the duties and responsibilities."

#### *Alleged Misuse of Government Credit Card*

Travel records reflected that (b) (7)(C) traveled a total of eight times between February 2007 and March 2011. Records further reflected that (b) (7)(C) claimed common travel expenses such as meals, lodging, transportation, and other proper reimbursable expenses. Available U.S. Bank records, dated from October 25, 2010, to May 16, 2011, reflected that (b) (7)(C) used his Government-issued travel card strictly for official travel-related expenses.

#### *Alleged Misuse of Time and Attendance*

During the course of our investigation, we discovered that (b) (7)(C) frequently used annual leave within the same week that she also worked overtime. VA policy states that any request for annual leave in proximity to overtime by the same employee will be scrutinized to assure that it is in the interest of good administrative practice. VA Handbook 5011, Part 3, Chapter 2, Paragraph 3d (April 15, 2002). A BVA memo, dated March 9, 2006, reflected that BVA employees were ineligible for overtime within the same week that they used annual and/or sick leave.

(b) (7)(C) told us that after (b) (7)(C) retired, they revisited the relevance of the 2006 memo and that their policy shifted from the "bright line rule" as outlined in the memo to one where basic management and VA policy were used as guidelines. She said that this shift in policy was not memorialized by a formal recession because only a "Chairman's Memorandum" was considered formal and the memorandum distributed by the Vice-Chairman would not have required as such. A BVA program support clerk told us that the former Vice Chairman's policy was rescinded once (b) (7)(C) retired and that BVA now operated under an unwritten rule that employees can work overtime within the same week that leave was used.

#### Conclusion

We did not substantiate that (b) (7)(C) improperly received a salary increase, after a mandated pay freeze, as he had an increase in responsibilities and the authorized increase to his pay was due to his additional duties. We also did not substantiate an allegation that (b) (7)(C) misused his Government-issued travel card, as travel and bank records reflected it was used only for official travel related expenses. Further, we did not substantiate that (b) (7)(C) misused her time and attendance. Historically, BVA employees were not permitted to take leave in the same week they accrued overtime; however, that local policy was changed to allow taking leave in the same week, based on VA policy and management discretion. We are therefore closing this investigation without issuing a formal report or memorandum

(b) (7)(C)

Prepared By:

10/24/2012  
Date

Approved (b) (7)(C)

10/24/12  
Date